

Issue 42: INSIDER'S EDGE: What happens when adults lose or drop their health insurance?

In *Issue 22: Coverage for Kids—Can't Wait One Minute More!*, I told you that starting January 1, 2014, the 6 month waiting period for MCHP or MCHP Premium will no longer exist. That means that children will be eligible to enroll in MCHP or MCHP Premium right after dropping other insurance.

So what about adults who lose or voluntarily drop their insurance coverage? No one ever said being an adult was easy! Therefore, it should be no surprise that the rules for adults are more complicated. For the readers who wanted more details about what will happen to adults in this situation, look no further! Here are some examples to help you out.



Janet has insurance coverage through her employer. Can she drop her employer-sponsored insurance and get coverage through Maryland Health Connection?

Janet could purchase coverage through Maryland Health Connection; however, she probably won't be eligible for advance premium tax credits (APTC) or cost-sharing reductions (CSR). Janet will only be able to qualify for APTC or CSR if her employer-sponsored health insurance is considered unaffordable or inadequate (and she meets the income requirements, of course!).

Employer-sponsored health insurance is considered unaffordable if the premium for individual coverage costs more than 9.5% of Janet's income. It is considered inadequate if it doesn't cover at least 60 percent of Janet's allowed medical costs.



Jason is employed, but his job doesn't offer insurance. Can Jason apply for health insurance using Maryland Health Connection?

Yes. Jason must apply for insurance during the open enrollment period, which ends on March 31, 2014.



George is employed, but his job doesn't offer insurance. He decides not to apply for coverage using Maryland Health Connection during the open enrollment period. In August 2014, George gets sick and decides getting insurance coverage might be a good idea after all. Can he apply for coverage through Maryland Health Connection at that time?

George cannot apply for insurance coverage through Maryland Health Connection until the next open enrollment period. While he could choose to purchase insurance outside the Marketplace in August, he won't be eligible for APTC or CSR to help reduce his medical costs.



In June 2014, Angelica loses her employer-sponsored health insurance when she loses her job. Although she quickly finds new employment, her new employer doesn't offer insurance. Can she apply for coverage through Maryland Health Connection even though the open enrollment period is over?

Involuntary loss of employer-sponsored health insurance is considered a special life event and qualifies Angelica to apply for coverage using Maryland Health Connection outside the open enrollment period. If Angelica's income level at her new position is less than 400% FPL, she may be eligible for APTC and CSR.



One last important point when it comes to Medicaid!

Don't forget, the open enrollment period does **not** apply to individuals applying for Medicaid. This means individuals can use Maryland Health Connection to apply for Medicaid benefits year-round, even though it cannot be used to apply for APTC and CSR outside of open enrollment except in special circumstances.

Questions? Send them to dhmh.medicaidmarge@maryland.gov.